



## DEPARTMENT OF AGRICULTURE

### Rural Business-Cooperative Service

[Docket No. RBS-21-CO-OP-0020]

### Stakeholder Listening Session and Request for Information on the Rural Cooperative Development Grant Program

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Request for information.

**SUMMARY:** The Rural Business-Cooperative Service (RBCS) is hosting a listening session and opening a request for information for public input about the Rural Cooperative Development Grant (RCDG) program. The RCDG program provides financial assistance to nonprofit corporations and/or institutions of higher education to start or expand cooperative development centers that provide technical and business development assistance to individuals and businesses to start, expand, or improve cooperatives and other mutually owned businesses. RBCS is currently considering how it can streamline application requirements, establish a multiyear award process, and provide more relevant performance metrics for the program.

#### **DATES:**

The listening session will be held virtually on:

September 16, 2021, at 2:00pm-4:00 PM ET

<https://attendee.gotowebinar.com/register/2283339721495353867>

Comments must be submitted by 11:59 p.m. Eastern Standard Time (EST) on

<https://www.regulations.gov>.

#### **ADDRESSES:**

Federal eRulemaking Portal: Go to <https://www.regulations.gov> and, in the “Search” box, type in the Docket No. RBS-21-CO-OP-0020. A link to the Notice will appear. You

may submit a comment here by selecting the “Comment” button or you can access the “Docket” tab, select the “Notice,” and go to the “Browse & Comment on Documents” Tab. Here you may view comments that have been submitted as well as submit a comment. To submit a comment, select the “comment” button, complete the required information, and select the “Submit Comment” button at the bottom. Information on using Regulations.gov, including instructions for accessing documents, submitting comments, and viewing the docket after the close of the comment period, is available through the site’s “FAQ” link at the bottom. Comments on this information collection must be received by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

**FOR FURTHER INFORMATION CONTACT:**

Natalie Melton, Program Management Division, Cooperative Programs, Rural Business-Cooperative Service, United States Department of Agriculture, Rural Development, STOP 3250 1400 Independence Avenue, SW, Washington, DC 20250-3250, telephone (202) 720-1400, or e-mail [cpgrants@usda.gov](mailto:cpgrants@usda.gov).

Persons with disabilities who require alternative means for communication (Braille, large print, audio tape, etc.) should contact the USDA Target Center at (202) 720-2600 or (844) 433-2774 (toll-free nationwide).

**SUPPLEMENTARY INFORMATION:**

Overview of RCDG

The RCDG program is authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (Con Act) (7 U.S.C. 1932 (e)) as amended by the Agriculture Improvement Act of 2018 (Pub. L. 115-334). The 7 CFR part 4284, subparts A and F are the regulations that govern this program. Terms you need to understand are defined in 7 CFR 4284.504. The primary objective of the RCDG program is to improve the economic condition of rural areas through cooperative development. Grants are

awarded on a competitive basis to non-profit corporations or higher education institutions. Grant funds may be used to pay for up to 75 percent of the cost of establishing and operating centers for rural cooperative development and 95 percent of the cost of establishing and operating centers for rural cooperative development when the applicant is a 1994 Institution as defined by 7 U.S.C. 301. The 1994 Institutions are commonly known as Tribal Land Grant Institutions. Centers may have the expertise on staff, or they can contract out for the expertise to assist individuals or entities in the startup, expansion or operational improvement of rural cooperative or mutually owned businesses.

This notice and listening session request information on RBCS's plan to consider ways streamline the application requirements, establish a multiyear award process, update performance metrics and assess program performance. The public input provided in response to this notice from interested stakeholders will advise RBCS on this plan.

### **Instructions**

Response to this notice is voluntary. Each individual or institution is requested to submit only one response as directed in the ADDRESSES section of this notice. Submission must not exceed 10 pages and fonts must be 12 point or larger, with a page number on each page. Responses should include the name of the person(s) or organization(s) filing the comment. Comments containing references, studies, research, and other empirical data that are not widely published should include copies or electronic links of the referenced materials. Comments containing profanity, vulgarity, threats, or other inappropriate language or content will not be considered. Comments submitted in response to this notice are subject to disclosure under the Freedom of Information Act (FOIA) (5 U.S.C. 552). Responses to this notice may also be posted, without change, on a Federal website.

Therefore, we request that no business proprietary information, copyrighted information, or personally identifiable information be submitted in response to this notice. In accordance with FAR 52-215-3(b), responses to this notice are not offers and cannot be accepted by the Government to form a binding contract. Additionally, the U.S. Government will not pay for response preparation or for the use of any information contained in the response.

To inform the Federal government's decision-making, RBCS now seeks public input on the following questions.

1. The authorizing statute prioritizes applications that can demonstrate a proven track record in carrying out activities to promote and assist the development of cooperatively and mutually owned businesses. How can applicants demonstrate they have a proven track record?
2. The authorizing statute prioritizes applications that can demonstrate expertise in providing technical assistance in rural areas. What criteria or factors should the Agency use to determine expertise and experience of the Center in promoting and assisting the development of cooperatives and mutually owned businesses? How many years of experience are appropriate to show that an organization has experience in providing cooperative development technical assistance in rural areas?
3. The authorizing statute prioritizes applications that demonstrate how they can improve economic conditions through new cooperative approaches. How do you interpret the language "new cooperative approach"? What makes a cooperative approach new?
4. The authorizing statute prioritizes applications that demonstrate commitment to providing technical assistance and other services to underserved and economically distressed areas. Developing cooperatives among low resource and underserved groups requires creative approaches to meeting time and capacity restraints.

Incubating co-ops, implementing build and recruit methods, and developing a cooperative franchise are all examples of innovative approaches. How can these approaches be structured to clarify members' responsibilities versus the co-op development center's responsibility?

5. The authorizing statute prioritizes applications that network with and share the results of their center with other cooperative centers and organizations involved in rural economic development. What suggestions do you have for documenting the results of networking with other cooperative development centers and organizations involved in rural economic development efforts?

6. The authorizing statute prioritizes applications that include multistate and multiorganization approaches to rural economic development. What suggestions do you have for documenting these approaches?

7. The authorizing statute requires applicants to take all practicable steps to develop continuing sources of financial support, particularly from private sector sources to support the sustainability of a center. How should an applicant demonstrate this requirement? What criteria or factors should the Agency use to determine sustainability of a center? How would the Agency verify this information beyond written application narration?

8. The authorizing statute permits the Agency to make multiyear awards, up to a 3-year period of performance for centers that have been previously awarded under this program and have a successful record of performance. What criteria or factors should the Agency focus on in determining eligibility for applicants proposing multiyear awards?

9. RBCS is seeking feedback on how the program's performance should be assessed. As stated above, the purpose of the program is to improve the economic conditions of rural areas through cooperative development. The required goals of

recipients must include facilitating the creation of jobs in rural areas through the development of new rural cooperatives, value-added processing, and other rural businesses. Given this purpose and these goals, what performance measures should be established for the program? How should they be measured?

10. RBCS is seeking feedback on how an applicant can demonstrate the successful establishment of a cooperative or mutually owned business given the varying state incorporation laws. What documentation should the Agency request to demonstrate establishment?

11. RBCS is seeking feedback on how applicants can document previous expertise when the outcome was no incorporation of a cooperative or mutually owned business. Applicants are required to discuss their cooperative development expertise when making an application to the Agency. This information is used as part of the merit-based scoring process. Experience has shown that not all cooperative development efforts result in the incorporation of a new cooperative; in fact, with some projects the most prudent advice is not to proceed. How should “no-go” cooperative development technical assistance efforts be recognized by the Agency and documented by the applicant to show previous cooperative development expertise?

12. RBCS seeks feedback on when the application deadline for the program should be. It is our intention to have a consistent deadline from year to year, rather than released at variable times through a Federal Register Notice. We also must allow sufficient time for processing applications in order to make awards and obligate funds prior to September 30 each year.

### **Non-Discrimination Statement**

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Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; the USDA TARGET Center at (202) 720-2600 (voice and TTY); or the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, *USDA Program Discrimination Complaint Form*, which can be obtained online at <https://www.ocio.usda.gov/document/ad-3027>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

(1) Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW

Washington, D.C. 20250-9410; or

(2) Fax: (833) 256-1665 or (202) 690-7442; or

(3) Email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

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**Karama Neal,**

*Administrator,*

*Rural Business-Cooperative Service.*

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